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FISCAL IMPACT REPORT

SPONSOR: Jennings DATE TYPED: 3/18/03 HB _____

SHORT TITLE: License Plates for NM Mail Carriers SB 211/aSCORC/aHTC

ANALYST: Wilson

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
		Indeterminate	Recurring	OSF

Conflicts with HB 378 and HB 379

SOURCES OF INFORMATION

Responses Received From
State Highway and Transportation Department (SHTD)

No Response
Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HTC Amendment

The House Transportation Committee amendment creates standardized special registration plates with logos to show state support for worthy public purposes. The amendment states the authorizing statute shall provide for collection of fees that, at a minimum, will cover the costs to the Motor Vehicle Division (MVD) of development, manufacture and issuance of the special registration plates and logos.

Standardized special registration plates, on the standardized areas, shall:

- Display the colors of the state flag, red lettering on a yellow background and the phrases "New Mexico USA" and "Land of Enchantment";
- Provide a space for applying the special registration logo, centered at the left edge of the plate, between the attachment holes, beginning one-fourth inch in from the edge of the plate and having the following dimensions: four and one-eighth inches in height and three

and one-eighth inches in width;

- Provide a vehicle registration number, to be assigned by the MVD consisting of five alphanumeric characters displayed to the right of the special logo area.

The HTC amendment states MVD will design the balance of the plate in consultation with the public purpose interest group requesting the special registration plate. This group shall provide evidence acceptable to MVD that it will generate a minimum number of prepaid applications as determined by the MVD for the special registration plate with logo and give a prepayment to the MVD in an amount sufficient to cover the plate and logo cost of the initial order. Furthermore, the interest group shall provide a sample of the requested artwork design in a format specified by the plate manufacturer for the specialized logo.

The fee for the special registration plate that will be collected in addition to the regular motor vehicle registration fee is increased to \$25 from \$10. TRD is appropriated \$10 of the special fee to defray the cost of making and issuing special registration plates for mail carriers. The remaining \$15 shall be deposited in the motor vehicle suspense fund for distribution pursuant to Section 66-6-23 NMSA 1978.

The standardized provisions of the amendment are effective July 1, 2003. The balance of the bill is effective on January 1, 2004.

Synopsis of SCORC Amendment

The Senate Corporation & Transportation Committee amendment removes references to “mail” carriers and replaces with “letter” carriers.

The amendment also requires the secretary treasurer of the state association of letter carriers instead of the “postmaster” to sign a consent form to submit as proof that an individual is either an active or retired letter carrier.

Synopsis of Original Bill

Senate Bill 211 requires the Taxation and Revenue Department to issue special registration license plates to any person who is an active or retired mail carrier with the United States postal service upon the submission of proof that the individual requesting the plate a retired mail carrier.

The TRD Secretary shall determine what constitutes satisfactory proof. In addition the TRD Secretary shall approve the final plate design for the special registration plates that must be clearly marked as “mail carrier.”

When the mail carrier with a special plate ceases to be employed as a mail carrier, but has not retired, the plate must be returned.

Significant Issues

The Legislature may wish to grant active and retired postal workers the privilege of having a special license plate.

FISCAL IMPLICATIONS

TRD is authorized to charge a fee of \$10.00 in addition to the regular motor vehicle registration fee for the special registration plate for active and retired postal workers. The fees shall be retained by TRD and is appropriated to TRD to defray the cost of making and issuing special registration plates.

SHTD could not quantify the demand for special plates for mail carriers, but it provided the following: The NM Department of Labor, Bureau of Economic Research and Analysis estimates the number of mail carriers as of 2000 to be 1,310. As of 01/31/03 the Albuquerque Postmaster's office states there are 1,079 employed mail carriers, but also says the number of retired mail carriers is privileged information and cannot be divulged. Since many mail carriers probably drive Post Office vehicles, it is difficult to project the level of demand for the special plate, but presumably far fewer than 1,000 plates would be sold for a fee of \$10 each during the first year or so. The recurring impact in subsequent years would be considerably less.

ADMINISTRATIVE IMPLICATIONS

TRD will require some staff resources to design and issue the license plates.

CONFLICT

SB 211 conflicts with HB378 and HB379. These also propose mail carrier plates, but with different fees for issuance.

DW/prr:yr